



3 Cheap Canadian Stocks to Buy Under \$30 in September 2021

Description

It's almost September and I'm starting to draw up my wish list for which Canadian stocks I want to own in the fall. With the markets soaring over the summer, it may be prudent to get a little more defensive over the next few months. Here are three solid Canadian stocks that pay ample [dividends](#), but still have attractive valuations today.

A top Canadian industrial real estate stocks

Real estate is a really solid asset to own when interest rates are low and inflation is pushing rents higher. One Canadian stock greatly benefiting here is **Dream Industrial REIT** ([TSX:DIR.UN](#)).

It owns 215 industrial assets in Canada, the U.S., and Europe. Since the pandemic, Dream has been enjoying very high 98% occupancy and fast-rising rents. In fact, this year it signed 1.6 million square feet of new leases that were 22% higher than prior rents!

Dream Industrial has a fortress-like balance sheet with a debt-to-asset ratio in the mid-30% range. It expects to grow cash flows per share by the low teens for the next few years.

Today, this Canadian stock pays a 4.25% dividend. Dream Industrial's stock trades for \$16.50 per share. It is still one of the cheapest industrial real estate stocks you will find in North America or Europe.

A top multi-family apartment stock

Another real estate class that I like for almost any type of economic environment is multi-family housing. Everyone needs to live somewhere, and mid-range housing is a great stable asset class. One Canadian apartment stock I love is **BSR Real Estate Investment Trust** ([TSX:HOM.U](#)).

BSR is a high-quality, garden-style multi-family portfolio in Texas and Oklahoma. Its average monthly rental rate is \$1,200 per unit, so it is attractive particularly to millennials and young professionals. These properties are located in some of [America's fastest-growing cities](#). As a result, it is perfectly

positioned to enjoy great rental rate growth for years ahead.

This REIT has excess capital to deploy into multiple acquisitions this year. That also should elevate cash flow per share growth going forward. Despite a strong run in 2021, it still trades at a slight discount to its American apartment peers. This Canadian stock trades for US\$15.09 per share and it pays a great 3.2% dividend today.

A top Canadian dividend-growth stock

TELUS ([TSX:T](#))([NYSE:TU](#)), similar to the above REITs, has an attractive investment profile for defence and growth. Cellular and broadband services are quintessential to today's modern society. As a result, in any economic environment, demand for its products and services is fairly reliable.

TELUS has consistently demonstrated very strong customer retention and industry-leading net customer growth. It is looking to keep growing by aggressively investing in its fibre-optic broadband infrastructure and implementing 5G services broadly. Like real estate, once TELUS has the established infrastructure, it then milks such infrastructure for cash for decades.

And let's not forget that TELUS is also investing to expand its various digital growth verticals. This is where this Canadian stock becomes a bit of a technology play. It just IPO'd [TELUS International](#) this year. However, it is also building growth verticals in virtual health, agriculture technology, and security.

This Canadian stock has seen solid momentum recently. It trades around \$29 per share. Yet, it pays a 4.4% dividend that has been growing by 7-9% annually over the past few years. Its growth verticals don't appear fully factored into the stock price. As a result, TELUS still looks undervalued today and looks like a great long-term buy.

CATEGORY

1. Dividend Stocks
2. Investing
3. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. TSX:DIR.UN (Dream Industrial REIT)
3. TSX:HOM.U (BSR Real Estate Investment Trust)
4. TSX:T (TELUS)

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